

BRAND EQUITY OF AMUL IN SIVAKASI

T. DHANALAKSHMI & K. KOHILA

Assistant Professor, Department of Business Administration (SF), Ayya Nadar

Janaki Ammal College, Sivakasi, Tamil Nadu, India

ABSTRACT

Brand equity helps to know the value or the strength of the product among the customers in the market. For that, AMUL product has taken by the researcher. By knowing the strength of the product, the company or retailers can take promotional steps to improve the sales in the market. On the southern side of India, AMUL has not a very big reach in semi-urban and in rural areas. Even though, it is available in Supermarket, the people who are living in this area have the choice to prefer the local brands that available in the market. The researcher has made an attempt to find the brand equity of AMUL and it can be measured in terms of Brand loyalty, Brand Image, Brand Association, Brand Awareness and Perceived Brand Equity. Nearly from 100 respondents, the data has been collected. The respondents have been chosen on the basis of the people who came to the Supermarket, Departmental store and have made the choices of AMUL brand. Therefore, the Random convenient sampling method has been adopted for data collection. The collected data have been analyzed with the help of SPSS package and the tools used in this research are Chi-square Test, Weighted Arithmetic Mean, Frequency and Percentage Analysis.

KEYWORDS: *Brand Equity, Brand Awareness, Brand Image & Quality*

Received: May 11, 2018; **Accepted:** Jun 01, 2018; **Published:** Jun 18, 2018; **Paper Id.:** IJBMRJUN20181

INTRODUCTION

Brand equity is the result of the customers' response to their knowledge of a specific brand. Many contend that an organization's most important asset is its brand equity. This is substantiated by the fact that consumers will pay up to 30% more for a differentiated, quality brand which is a market leader (Blatch, 2002:23). Brand equity is the value of a brand related to the brand's ability to attract future customers' reliability (Solomon & Stuart, 1997:348). It generates value to the customer that can emerge as enhanced brand loyalty (Aaker, 1996:173). Brand equity is formally defined as a set of brand assets and liabilities linked to a brand, its name and symbol, which add to or subtract from the value provided by a product or service to an organization and/or to that organization's customers (Sheth, Mittal & Newman, 1999:708). It is thus the overall strength of a brand in the marketplace and its value to the organization that owns it. The major asset categories of brand equity are brand loyalty, brand awareness, perceived quality and brand associations (Aaker, 1996:8).

REVIEW OF LITERATURE

The Keller Brand Equity Approach

Another psychographic approach is Keller's technique for determining brand equity. Keller operates on the assumption that customer oriented brand value-which he calls "customer-based brand equity" – is tied to knowledge of the brand and based on comparison with Unbranded product with the same product category. He defined brand value as "the differential effect of brand knowledge of consumer response to the marketing of the brand.

That is, customer- based equity involves consumers' response to an element of the marketing mix element attributed to a fictitiously named or unnamed version of the product or service."

Aaker's Brand Equity Approach

Among the best known theoretically oriented concepts in this field is that of Anker. Aaker regards the brand as a symbol associated with a large number of mental assets and liabilities that serve to identify and differentiated products. He defines brand equity as "set of assets and liabilities linked to a brand, its name and symbol, that add to, subtract from the value provided by a product or service to a firm and/or to that firm's customer." Aker identifies five determinants of brand equity: brand loyalty, brand awareness, perceived quality, brand associations and other brand assets.

Kapferer's Brand Equity Model

The Kapferer's brand equity model is built on and the underlying assumption that the value of a brand lies in a tacit contract between the brand and its customer, "trading" a seal of quality repeat purchasing. The brand name generates utility by reducing transaction risk for the producer and consumer alike. According to Kapferer, "brand identifies, guarantee, structure and stabilize supply. They draw their value from their capacity to reduce risk and uncertainty." The contract between customer and brand generates financial rewards for the producer while it reduces the customer's cost of obtaining security. The consumer and his/her purchasing behavior take center stage in Kapferer's brand system. Advertising and point-of-sale product presentations incite the customer to try out the brand.

Depending on his/her experience with this purchase, and the quality and price of the product, this may generate a habitual purchasing decision, or a brand preference, which will be manifested in repeat buying. The brand's market share, which according to Kapferer correlates positively with brand earnings, is primarily determined by the number of consumers loyal to the brand. Brand earnings" derive from an increment in demand compared with that of a generic product, or from reduced production and distribution costs resulting from overall savings and productivity gains based on the experience curve," if the brand earnings are reinvested. E.g. in marketing, R&D and productivity increases, this may well strengthen the brand system by firming up existing contracts and creating new ones, thus further enhancing brand equity and establishing a virtuous circle.

METHODOLOGY

Statement of Problem

Brand equity is the study of the value and strength of the product prevails in the market. Based upon the brand equity, the customer will have the preferences over the available product. AMUL brand is most preferable brand in North India whereas in Southern Regions, other bands play a dominant role when compared to the AMUL brand. The sales also seem to be somewhat low when compared to the sales of Northern side. With this note on knowing consumer's brand equity about AMUL, this research has carried out in Sivakasi.

Scope of the Study

The study was an attempt to find out the effect of Brand equity of AMUL in Sivakasi. The dimensions of Brand Equity under study were Brand Awareness, Associations, Perceived Quality and Brand Loyalty. The product categories taken under study were food products and Specialty Products and the product classes taken were cheese, Milk, Butter, Softdrinks, Lessie and Panner. Based upon the findings of this study, the company or the distributors may take an effort to

promote AMUL brand in Sivakasi region.

Objectives of the Study

The objectives of the study are as follows

- Two analyses the socio-demographic profile of the respondents.
- To examine the various dimensions like Brand awareness, brand association, perceived quality and brand loyalty of Brand equity.
- To know the consumer preference product that's available under AMUL Brand.
- Two analyses the most influencing variable of brand equity.
- To offer a suggestion to the policy maker.

Research Design

A research design is a framework or blueprint for conducting the marketing research project. It details the procedures necessary for obtaining the information needed to structure or solve marketing research problems. In simple words, it is the general plan of how you will go about your research.

Description of Study Area

The area chosen for this research is Sivakasi and its detailed profile has been explained in II chapter.

Population Size

The population size of Sivakasi is 2,50,000

Sample Size and Techniques

From the population of 2,50,000, the user of AMUL brand has chosen for this study Therefore, the sample size taken for this study is 100 respondents of which have chosen from the four directions of Sivakasi. Due to the population of AMUL user has unknown, random convenience sampling technique has been adopted in order to collect data for this study

Methods of Data Collection

This study is based on both primary and secondary data. Primary data have been collected from the sample respondents to evaluate the Brand equity of AMUL in Sivakasi.

Sources of Data

The researcher has fetched the data from two sources for this study. One is Primary Data and another one is Secondary Data.

Primary Data

Primary data means First hand information or Fresh information. The fresh information has been collected from the respondents with regard to Brand equity of AMUL in Sivakasi, with the help of the predetermined interview schedule.

Secondary Data

Secondary data have been collected from the college library, internet, journals, newspapers, magazines, and the likes.

Variables Recognized

The variables recognized by the researcher from the review of literature are as follows

Dependent Variable: Brand Equity

Independent Variable: Brand Awareness, Brand Loyalty, Brand Association, Perceived Quality

HYPOTHESIS SETTING

The hypothesis is tentative assumptions set for the research to identify the relationship between the variables exist or not. The hypotheses set for this research are as follows

- There is no significant relationship between Brand equity and Brand loyalty
- There is no significant relationship between Brand equity and Brand association
- There is no significant relationship between Brand equity and Perceived quality
- There is no significant relationship between Brand equity and Brand awareness
- There is no significant relationship between Brand equity and Brand image.

Tools used for Analysis

The statistical tools and techniques used for this study are as follows

- Percentage
- Charts
- Tables
- Chi-Square Test

SOCIO-ECONOMIC PROFILE OF THE RESPONDENTS

The socioeconomic profile of the respondents such as age group, educational status, income, marital status of this research is shown in the table 1.

Table 1

S. No	Socio-Economic Profile	No of Respondents	Percentage	Total
1.	Gender			
	Male	40	40	100
	Female	60	60	
2.	Age			
	Below 20 yrs	48	48	100
	21-30 Yrs	40	40	
	31-40 yrs	8	8	
	41-50 yrs	3	3	
	Above 50 yrs	1	1	

Table 1: Contd.,				
3.	Educational Qualification			
	Schooling	18	18	100
	UG	53	53	
	PG	20	20	
	Diploma	3	3	
	ITI	6	6	
4.	Income Level			
	UptoRs 5500	9	9	100
	Rs 5000-10000	43	43	
	Rs 10,000-Rs 20,000	26	26	
	Above Rs 20,000	22	22	

Source: Primary Data

It is clear from the table 1 that 40 percent of the respondents are male and the remaining 60 percent of the respondents are female. It is also clear from the table 1 that 48.0 percent of the respondents are below 20 years, 40.0 percent of the respondents are 21-30 years, 8.0 percent of the respondents are in the age group of 31-40 years, 3.0 percent of the respondents are in the age group of 41-50 years, and the remaining 1.0 percent of the respondents are above 50 years. From the table 1, it is understood that 18.0 percent of the respondents have completed their schooling, 53.0 percent of the respondents are graduates, 20.0 percent of the respondents are postgraduates, 3.0 percent of the respondents have completed diploma, and the remaining 6.0 percent of the respondents are having educational qualification of ITI. It is understood from the table 1 that 9.0 percent of the respondents are having a monthly income of Rs 5,000, 43.0 percent of the respondents are having an income in the range of Rs 5000-10,000, 26.0 percent of the respondents are having an income in the range of Rs 10,000-20,000, and the remaining 22.0 percent of the respondents are having an income of above 20,000Rs.

Favorite Product of Amul

The data related to identify the favorite product preferred among the respondents are collected in the form of ranking. That collected data have analysed with the statistical tool of WAM in order to identify the highest rank scored for the product. The computed data of various AMUL products are shown in the table 2

Table 2

S. No	Particulars	WAM	Rank
1	Milk	579.09	I
2	Ghee	461.11	V
3	Pannier	483.09	III
4	Butter	468.06	IV
5	Ice cream	529.04	II
6	Cool drinks	410.15	VI
7	Cheese	335.15	VIII
8	Lassi	350.22	VII

It is understood from table 2 Milk has secured the highest weighted Arithmetic score of 579.09 and therefore it has ranked as I, Ice cream has secured the highest weighted Arithmetic score of 529.04 and therefore, it has ranked as II, Pannier has secured the weighted Arithmetic score of 483.09 and therefore, it has ranked as III, Butter has secured the weighted Arithmetic score of 468.06 and therefore, it has ranked as IV, Ghee has secured the weighted Arithmetic score of 461.11 and therefore, it has ranked as V, Cool drinks has secured the highest weighted Arithmetic score of 410.15 and therefore, it has ranked as VI, Lassi has secured the highest weight Arithmetic score of 350.22 and therefore, it has ranked

as VII, Cheese has secured the lowest weighted Arithmetic score of 335.15 and therefore, it has ranked as VIII.

Quality Product of Amul

The researcher has collected the data in order to know the quality of AMUL product in terms of density of milk, cream, freshness, hygiene and taste based upon the ranking that preferred by the respondents. The collected data are classified as per the product and its frequencies are depicted in the table 3 and it has been analyzed on the basis of the weighted arithmetic mean and its score are also depicted in the table 3 (a).

Table 3: Frequency Analysis

Particular	1	2	3	4	5	Total
Density of milk	14	10	17	25	34	100
Creaminess	4	15	23	34	24	100
Freshness	11	12	22	29	26	100
Hygiene	16	10	30	25	19	100
Taste	17	21	11	20	31	100

Table 3(a): Weighted Arithmetic Score of Quality of Amul Product

S. No	Particulars	WAM	Rate
1	Density of Milk	2.45	III
2	Creaminess	2.41	IV
3	Freshness	2.53	II
4	Hygiene	2.73	I
5	Taste	2.73	I

It is understood from table 3, Creaminess has secured the least weighted Arithmetic score of 2.41 and therefore, it has rated as I, Density of Milk has secured the highest weighted Arithmetic score of 2.45 and therefore, it has rated as II, Freshness has secured the highest weighted Arithmetic score of 2.53 and therefore, it has rated as III, Hygiene and Taste has secured the highest weighted Arithmetic score is same of 2.73 and therefore, it has rated as IV.

RELIABILITY ANALYSIS

The researcher has framed 25 statements to measure the brand loyalty, brand awareness, brand association, perceived brand quality and Brand Image. To make further analysis, the researcher has measured the reliability of the data with the help of SPSS package. Reliability means checking the validity of data. The reliability score falls above 0.7, the data is considered as more reliable. If it falls in the range of 0.5-0.7, the data are somewhat reliable and if it falls below 0.5, the data are not considered as reliable. Therefore, the researcher did the reliability analysis of this research and the score is depicted in table 3

Table 4

Reliability Statistics		
Cronbach's Alpha	Cronbach's Alpha Based on Standardized Items	N of Items
.820	.821	29

It is predicted from the table 3 that the reliability score shows 0.820 of which it is more than 0.7. Therefore, the

data collected for this research seem to be highly reliable and that has taken for further analysis of the chi-square test.

HYPOTHESIS TESTING

Hypothesis I

Null Hypothesis: There is no significant relationship between brand loyalty and brand equity

Chi-square statistical tools has been used to test the hypothesis between Brand equity and Brand loyalty. The result is displayed in the table 5.

Table 5: Chi-Square Tests

	Value	Df	Asymp. Sig. (2-sided)
Pearson Chi-Square	1.216E3 ^a	972	.000
Likelihood Ratio	396.642	972	1.000
-Linear-by-Linear Association	7.437	1	.006
N of Valid Cases	99		

1036 cells (100.0%) have expected count less than 5. The minimum expected count is.01.

From the table 5, it is clear that the table value is significant value is less than 0.05. Therefore, alternate hypothesis gets accepted. So, it is clear that there is a high significant relationship between brand equity and brand loyalty.

Hypothesis- II

Null hypothesis: There is no significant relationship between Brand Equity and Brand Association

Chi-square statistical tools has been used to test the hypothesis between Brand equity and Brand Association. The result is displayed in the table 6

Table 6: Chi-Square Tests

	Value	Df	Asymp. Sig. (2-sided)
Pearson Chi-Square	1.383E3 ^a	1152	.000
Likelihood Ratio	447.425	1152	1.000
Linear-by-Linear Association	26.749	1	.000
N of Valid Cases	99		

a-1221 cells (100.0%) have expected count less than 5. The minimum expected count is.01.

The hypothesis have been tested at 5 % level of significance. From the table6, it is clear that the significant value is less than 0.05. Therefore, alternate hypothesis gets accepted. So, it is clear that there is a high significant relationship between brand equity and brand Association.

Hypothesis III

Null Hypothesis: There is no significant relationship Between Brand Equity and Perceived Quality

Chi-square statistical tools has been used to test the hypothesis between Brand equity and perceived quality. The result is displayed in the table 7

Table 7: Chi-Square Tests

	Value	Df	Asymp. Sig. (2-sided)
Pearson Chi-Square	1.197E3 ^a	1080	.007
Likelihood Ratio	419.557	1080	1.000
Linear-by-Linear Association	18.112	1	.000
N of Valid Cases	99		

a. 1147 cells (100.0%) have expected count less than 5. The minimum expected count is.01.

b. 1036 cells (100.0%) have expected count less than 5. The minimum expected count is.01.

From the table 7 it is clear that the table value is significant value is less than 0.05. Therefore, alternate hypothesis gets accepted. So, it is clear that there is a high significant relationship between brand equity and brand perceived quality.

Hypothesis IV

Null Hypothesis: There is no significant relationship between Brand Equity and Brand Awareness

Chi-square statistical tools has been used to test the hypothesis between Brand equity and Bran image.

The result is displayed in the table4

Table: 8 Chi-Square Tests

	Value	Df	Asymp. Sig. (2-sided)
Pearson Chi-Square	1.541E3 ^a	1296	.000
Likelihood Ratio	435.245	1296	1.000
Linear-by-Linear Association	15.910	1	.000
N of Valid Cases	99		

a. 1369 cells (100.0%) have expected count less than 5. The minimum expected count is.01.

b. 1036 cells (100.0%) have expected count less than 5. The minimum expected count is.01.

From the table 8, it is clear that the table is significant value is less than 0.05. Therefore, alternate hypothesis gets accepted. So, it is clear that there is a high significant relationship between brand equity and brand image.

Findings of the Study

The findings of the study are as follows

- It is interpreted from the table 3.1 that majority 60 percent of the respondents are female.
- It is inferred from the table 3.2that majority 48.0 percent of the respondents are below 20 years of age.
- It is understood from the table 3.4 that majority of respondents, 53 percent are graduates.
- It is understood from the table 3.8, that majority of respondents, 43 percent are having an income in the range of Rs 5000-10,000

- It is understood from table 2 Milk has secured the highest weighted Arithmetic score of 5579.09 when compared to cheese, butter, ghee, Lassi and the likes.
- It is understood from table 3, Creaminess has secured the least weighted Arithmetic score of 2.41 when compared to the Density of Milk, freshness, hygiene and Taste.
- It is predicted from the table 3 that the reliability score shows 0.820 of which it is more than 0.7
- The researcher has used Chi-square statistical tool to test the relationship between brand equity and brand loyalty at 5% level of significance. From the table 5, it is clear that the table value is significant value is less than 0.05. Therefore, alternate hypothesis gets accepted. So, it is clear that there is a high significant relationship between brand equity and brand loyalty.
- The researcher has used Chi-square statistical tool to test the relationship between brand equity and brand association at the 5% level of significance. From the table 6, it is clear that the table value is significant value is less than 0.50. Therefore, alternate hypothesis gets accepted. So, it is clear that there is a high significant relationship between brand equity and brand association.
- The researcher has used Chi-square statistical tool to test the relationship between brand equity and perceived quality at the 5% level of significance. From the table 7, it is clear that the table value is significant value is less than 0.50. Therefore, alternate hypothesis gets accepted. So, it is clear that there is a high significant relationship between brand equity and brand perceived quality.
- The researcher has used Chi-square statistical tool to test the relationship between brand equity and brand image at 5 % level of significance. From the table8, it is clear that the table value is significant value is less than 0.50. Therefore, alternate hypothesis gets accepted. So, it is clear that there is a high significant relationship between brand equity and brand image.

SUGGESTIONS

The suggestions for this study are as follows

- AMUL brand has to improve the Density of milk and cream in their product
- The company makes the availability of the AMUL brand in all retail shops. Thereby the people will easily purchase the product.
- AMUL brand influenced due to an attractive advertisement that only flashed in mass media. So, the company needs to increase the informative advertisement and frequent advertisement that all to be flashed in all channels with all regional languages.
- AMUL brand has to improve the hygiene and quality of their product.

CONCLUSIONS

Being au fait with the dimensions of brand equity helps managers interpret marketing strategies and assess the value of a brand pretty well. It also assists marketers in understanding and focusing on what drives their brand equity. A marketing manager needs to consider all the dimensions of brand equity since quantifying the impact of each on overall

brand equity is vital to identifying critical actions to take. Otherwise, it will be difficult to achieve brand loyalty which has a positive differential impact on consumer-based brand equity. Further research may be carried out to examine the existence of direct causal relationships between the dimensions and brand equity. In addendum, cross-country and cross-industry investigation of brand equity dimensions would be more interesting. This would also provide a new frame of reference to test a brand by country effects and industry effects.

REFERENCES

1. Emami A, Dimov D (2017) *Degree of innovation and the entrepreneur's intention to create value: A comparative study of experienced and novice entrepreneurs*. *Eurasian Business Review* 7: 161-182.
2. Keller KL (2008) *Strategic Brand management: building, measuring and managing brand equity*, (3rd edn), New Jersey: Pearson Education International
3. Atigan E, Aksoy S, Akinci S (2005) *Determinants of brand equity: A Verification approach in the beverage industry in Turkey*. *Marketing Intelligence and planning* 23: 237-248
4. Matni H (2004) *The effective factors on Consumer' loyalty according to the specific brand*, Master Thesis, AllamehTabatabaei University, Tehran, Iran.
5. Aaker, D. (1996). *Measuring Brand Equity across Products and Markets*. *California Management Review*, 38(3), 102-20.
6. Auer, H. H., Sauer, N. E., & Schmitt, P. (2005). *Customer-Based Brand Equity in the Team Sport Industry: Operationalization and Impact on the Economic Success of Sport Teams*. *European Journal of Marketing*, 39(5/6) 496-51.
7. Aaker, D. (1996). *Measuring Brand Equity across Products and Markets*. *California Management Review*,
8. 38(3), 102-20.
9. Abangma, F. E. (2008). *Recognition of Brand Equity and Advertising in the Banking Industry in Cameroon – Case Citibank N. A.* (Unpublished MBA Dissertation). University of Gavle, Cameroon.
10. Anantaya, P., & Sirada, C. (2009). *The Impact of Brand on Thai Female Consumers in Purchase Decision of Foreign Makeup Product* (Unpublished Masters Dissertation). School of Sustainable Development of Society and Technology, Thailand.
11. Bauer, H. H., Sauer, N. E., & Schmitt, P. (2005). *Customer-Based Brand Equity in the Team Sport Industry: Operationalization and Impact on the Economic Success of Sport Teams*. *European Journal of Marketing*, 39(5/6) 496-513.
12. Blackwell, R. D., Miniard, P. W., & Engel, J. F. (2001). *Consumer Behavior* (9th ed.). Orlando, FL: Harcourt. Carmen, J. M. (1990). *Consumer Perceptions of Service Quality: An Assessment of The Seven dimensions*. *Journal of Retailing*, 66, 33-55.
13. Cobb-Walgren, C. J., Beal, C., & Donthu, N. (1995). *Brand equity, Brand Preferences, and Purchase Intent*. *Journal of Advertising*, 24(3), 25-40.
14. Farquhar, P. H. (1989). *Managing Brand Equity*. *Marketing Research*, 1(9), 24-33.
15. George, D., & Mallery, P. (2009). *SPSS for windows, step by step* (8th ed.). Delhi, Patparganj: Dorling Kindersley (India) Pvt. Ltd., licensees of Pearson Education in South Asia.
16. Low, G. S., & Lamb Jr., C. W. (2000). *The measurement and dimensionality of brand association*. *Journal of product and brand management*, 9(6), 350-368.